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CIA PASS ODNI

E.O. 12958: DECL: AFTER KOREAN REUNIFICATION
TAGS: PREL PARM MARR CH KN KS RU JA
SUBJECT: ASD FOR APSA GREGSON DISCUSSES STRATEGIC ISSUES
WITH SENIOR JAPANESE DEFENSE OFFICIALS

Classified By: James P. Zumwalt, Charge d'Affaires, a.i.; reasons 1.4 (b/d)

- 11. (S) Summary: Key challenges to strategic balance in the region and strategic deterrence come from China, North Korea and Russia, Ministry of Defense (MOD) officials told visiting Assistant Secretary of Defense for Asia-Pacific Security Affairs (APSA) Wallace Gregson during a June 1 meeting on strategic issues that also included an update on Japan's National Defense Program Guidelines (NDPG). MOD Defense Policy Bureau Director General Takamizawa noted that Secretary Gates' comments on the U.S.-Russian discussions on reducing nuclear weapons during the Shangri-La Dialogue gave the impression that the United States is "encouraging" China to develop its nuclear arsenal. He reported that Japan is on track to complete the National Defense Program Guideline (NDPG) by December. MOD wants the NDPG to call for a build-up in cost-effective deterrence capabilities, the ability to respond to sudden emerging threats, around-the-clock threat warning and surveillance activities in the sea and airspace around Japan, and increased long-distance mobility of the Japan Self Defense Force (JSDF) to enable more Japanese participation in international peace cooperation activities. ASD Gregson stressed unequivocally that the United States will not waiver from its commitment to defend itself and its allies, adding that reduction of U.S. nuclear warheads would not be at a level giving rise to Chinese parity.
- 12. (S) Summary Continued: In a separate meeting, Administrative Vice Minister Masuda reconfirmed Japan's commitment to the realignment roadmap, including the Futenma Replacement Facility (FRF) and Guam relocation, but stressed the importance of both cooperation with the Governor of

Okinawa Prefecture on FRF, and equal treatment for Japanese firms in the Guam relocation process. AVM Masuda reiterated Japan's interest in the F-22 as its next-generation fighter aircraft, urging the United States to provide sufficient rationale for why an ally such as Japan cannot be sold the F-22. He expressed personal interest in addressing cybersecurity -- including cooperation with the United States on the intersection of military capabilities, national security, and cybersecurity -- and JSDF deployment to areas southwest of Okinawa in the upcoming National Defense Program Guideline (NDPG). End summary.

¶3. (S) On June 1, ASD for APSA Wallace Gregson met with MOD Defense Policy Bureau Director-General Nobushige Takamizawa and Joint Staff Office Defense Plans and Policy Director Rear Admiral Hiroo Hatanaka to discuss Japan's strategic assessment of the region and the drafting of Japan's National Defense Program Guidelines (NDPG). He also called separately on Administrative Vice Minister of Defense Kohei Masuda. A/S Gregson was joined by Joint Chiefs of Staff Director for Strategic Plans and Policies James Winnefeld and U.S. Forces Japan (USFJ) Commander Edward Rice.

Regional Challenges to Strategic Deterrence

14. (S) MOD Office of Strategic Planning Assistant Director Sugio Takahashi provided an assessment of the strategic balance in the region, with a focus on the key challenges presented by China, the DPRK and Russia to strategic

deterrence. China is the most important challenge as the range, mobility, and survivability of its modernizing nuclear force continues to increase. This is coupled with the lack of a coherent and transparent nuclear doctrine. While China has declared a "no first use" policy, no nuclear expert believes this is true, Takahashi stated. The increasing Chinese ability to conduct cyber and anti-satellite attacks constitutes a rising threat to the command and control (C2) structure of the global U.S. strategic forces. Japan also sees China's growing anti-access and area denial capabilities, including anti-ship ballistic missiles and land attack cruise missiles, as challenging U.S. operations in the region. DG Takamizawa emphasized that China is a "difficult" threat and proposed convening an experts meeting to discuss mutual assessments of China, how to respond China's challenges, how to strengthen U.S-Japan cooperation and how to narrow Alliance capability gaps and the public's perception of those gaps.

15. (S) The challenges to the strategic balance and deterrence from North Korea include uncertainty over its capabilities and intentions, especially in the full range of weapons of mass destruction, and its hardened underground facilities, Takahashi continued. The revitalization of Russia's strategic nuclear force, as well as its non-strategic nuclear force, also constitute a challenge, albeit a smaller one in Japan's view compared to China and North Korea.

Response: U.S.-Japan Alliance / Multilateral Efforts

16. (S) Takahashi stated that the key response to these challenges is the U.S.-Japan Alliance. Japan appreciates the regular declaratory policy statements that affirm the full and wide ranging U.S. commitment to the defense of Japan and maintaining regional peace and stability. This commitment, coupled with sufficient capability to make good on the commitment, is critical to credible deterrence. Bilateral cooperation, including basing and forward deployment of U.S. forces in Japan, missile defense, anti-submarine warfare, protection of sea lanes, use of space of security purposes, bilateral contingency planning and intelligence sharing, is critical to maintaining and strengthening deterrence.

17. (S) Japan also sees multilateral frameworks and Japan's

own efforts as playing a key role in dealing with the regional strategic challenges and achieving strategic deterrence. These include Japan's commitment to its three non-nuclear principles, its efforts to create a world free of nuclear weapons, its participation in the international regime created by the Non-Proliferation Treaty and other multilateral agreements, and its role in the G-8, Six-Party Talks, and other multilateral forums, Takahashi concluded.

18. (S) VADM Winnefeld noted that the United States is engaged in a Nuclear Posture Review (NPR) that, while focused on Russia, is also taking fully into account China's nuclear capability. The key U.S. concern is whether China would try to rush to parity with the United States. To counter cyber threats, the United States is considering establishing a sub-unified command under the U.S. Strategic Command (STRATCOM). This would allow for consolidation and focusing of resources, and enable more rapid response. On North Korea, the United States is concerned the DPRK seeks to

develop WMD delivery capabilities, making North Korea an active threat. The United States does not view the DPRK's missile launches, nuclear test, and movement to reactivate its nuclear program as isolated incidents, VADM Winnefeld noted.

Concern over Secretary Gates' Shangri-La Comments

¶9. (S) DG Takamizawa claimed that Defense Secretary Gates' remarks during the International Institute for Security Studies' Asia Security Summit, aka "the Shangri-La Dialogue," on the need for U.S.-Russia dialogue on reducing their respective nuclear arsenals gave the impression that the United States considered China's nuclear force as small enough not to warrant halting its build-up, thus "encouraging" China to continue to increase its nuclear $\,$ arsenal. Given that Japan has consistently urged China to decrease its nuclear weapons, China and other Shangri-La Dialogue participants would have interpreted the Secretary's comments as indicative of a gap in positions between the United States and Japan. General Ma Xiaotian, People's Liberation Army Deputy Chief of the General Staff, appeared to be genuinely "happy" with Secretary Gates' comments, Takamizawa asserted. He added that although the Secretary had not said anything wrong, a more coordinated communication strategy was necessary, as any such perceived gap in the two countries' positions could weaken the strength of the Alliance.

- 110. (S) ASD Gregson underscored that the United States is not walking away from its ability and commitments to defend itself and its allies and will continue to offer public assurances to that effect. The United States is looking to reduce its warheads but not to a degree to allow China to gain parity. VADM Winnefeld added that Secretary Gates has regularly articulated U.S. views on deterrence and extended deterrence, which includes nuclear capabilities plus conventional strike and missile defense capabilities. The goal of the NPR and Quadrennial Posture Review (QDR) is not to reduce the U.S. nuclear deterrence ability but rather to strengthen the overall deterrence capability.
- 111. (S) Lt. General Rice stressed the importance of the ongoing bilateral dialogue on roles, missions and capabilities that seeks to maximize each government's contributions to the Alliance and hence deterrence. One potential area to explore would be conventional deterrence capabilities that the JSDF could field in a contingency in the region until U.S. forces could flow in and take on that primary role. ASD Gregson noted that U.S. and Japanese forces are increasingly interoperable, largely due to force transformation and realignment efforts, such as collocating respective C2 entities at same bases and increasing JSDF training on U.S. bases in Japan. These efforts contribute to the Alliance's real and perceived Alliance capabilities. The next potential short term step is consolidated, large-scale

National Defense Program Guidelines

112. (S) DG Takamizawa reported that the Cabinet Secretariat's

drafting of Japan's next National Defense Program Guideline (NDPG) is on schedule for completion in December 2009. MOD has launched a Defense Posture Review Board to present its ideas to the Council of Experts on Security and Defense Capability and to the Cabinet Secretariat. The Council of Experts met during the week of May 18 and agreed on the draft framework of their report, which will be ready by July and have a great impact on the Cabinet Secretariat's drafting of the NDPG. The ruling parties, the Liberal Democratic Party (LDP) and the New Komeito Party, are holding workshops to develop input into the process as well. DG Takamizawa noted differences of opinions within the LDP issues like Japan fielding counter-strike capabilities.

- 113. (S) DG Takamizawa briefed the following as the main points of discussion within NDPG:
- -- How does Japan create a stable and cooperative order, when facing various uncertainties such as newly emerging powers and the economic crisis?
- -- How does Japan respond to the rapid military modernization in the region?
- -- How will Japan's aging society and declining birth rate, as well as massive fiscal deficit, affect Japan's defense posture?
- -- How does Japan define the roles and missions of its Self Defense Forces, including a commitment to global security affairs, as threats become diversified, complicated and multi-layered?
- -- What kind of capabilities should Japan prioritize to maintain a deterrent capability despite limited resources?
- $\P14.$ (S) DG Takamizawa presented the four main areas of defense capability build-up that MOD would like included in the NDPG:
- i. Establishment of highly cost-effective deterrence capabilities that match-up against other countries' weaknesses. More effective use of submarines would be an example of means to this end.
- ii. The ability to respond to sudden emerging threats. This includes having sufficient forces and hence MOD would like to close the gap between the authorized force structure and the actual numbers.
- iii. Having a high operational capability in around-the-clock threat warning and surveillance activities in the sea and airspace around Japan. This will allow Japan to respond dynamically and be better able to create stability in the region.
- iv. Increasing long-distance mobility, for instance by increasing oilers, and sustainability of the JSDF so they can engage in more reliable and diversified roles in international peace cooperation activities.

AVM Masuda on FRF, Guam Relocation

115. (C) In a separate office call, AVM Masuda reconfirmed Japan's commitment to realize the Futenma Replacement Facility (FRF) as important for the Alliance. He emphasized the importance of Japan's domestic political process for getting support from the Governor of Okinawa Prefecture, with

October 2009 being a key timeframe when the Environmental Impact Statement goes to the Governor for comment. ASD Gregson confirmed his understanding of the importance of adhering to implementation with no changes, while recognizing there may come a right time to have quiet discussions about implementation.

116. (C) Regarding Guam, Masuda stressed the critical importance of maintaining a level-playing field for Japan's direct cash contributions, raising concern with Japan's ability to ensure equal treatment under the U.S.-led contracting process. While recognizing close cooperation at working levels, he highlighted recent hurdles in implementation and asked for ASD Gregson's support. ASD Gregson said he was aware of anxiety within Japan's business community and previewed his proposal for a new bilateral coordination group that would better integrate experts in alliance management, politics, legal issues, and contracting and facilitate better communication. This group could help ensure careful coordination as Guam implementation moves forward, addressing detailed implementation concerns as well as highlighting the strategic context for the Guam program. The specifics of scope and participants remain under development, ASD Gregson said, offering to consult with MOD in establishing this group.

Masuda Repeats Hamada's Points on FX

- 117. (C) Referring to the Gates-Hamada bilateral meeting on the margins of the Shangri-la Dialogue, AVM Masuda repeated Minister Hamada's interest in the F-22 for its future fighter. Masuda said Japan seeks an explanation of the U.S. decision to not sell the F-22 to an ally such as Japan. Masuda pressed for a side-by-side comparison of F-35 and F-22, to overcome the impression that the U.S. Government is simply telling Japan that F-22 is not a good choice without showing why that is the case.
- ¶18. (C) ASD Gregson stressed the advantages of F-35 over the F-22 as newer, and designed for export, while reminding Masuda of the Obey Amendment restrictions on F-22 exports. Gregson said he would work with Japan to develop a more effective explanation for the public that would stress the advantages of other modern fighter capabilities and mitigate any perception that the United States is walking away from the strong relationship with Japan or the Japan Air Self-Defense Force. Gregson said the United States would also focus on assurance messages whenever the USAF deploys F-22s to Japan, noting that Japan benefits from the service of F-22s without the expense. VADM Winnefeld explained that the U.S. procurement plans, as well as those of other U.S. allies, demonstrate that the United States and other U.S. allies place their faith in the F-35 as the future fighter.

NDPG: Cyber, Space, Areas Southwest of Okinawa

- 119. (C) AVM Masuda highlighted his personal interest in addressing cybersecurity in the upcoming NDPG, giving the Japan Self-Defense Force an appropriately scoped role in protecting Japan's cyber infrastructure, and seeking coordination with the United States on the intersection of military capabilities, national security, and cybersecurity. Masuda also mentioned that Japan's new space law enables a Self-Defense Force space mission, but resource constraints limit Japan's ability to develop these missions. Finally, he said that the NDPG will look at Self-Defense Force deployment to areas southwest of Okinawa, although it is not clear how explicit this will be in the public report given diplomatic considerations.
- 120. (C) ASD Gregson suggested more dialogue with OSD/AT&L on complementary cybersecurity and space capabilities would be productive. He added that continued progress in the Bilateral Information Security Task Force (BISTF) would also

be useful for improving space and cyberspace cooperation. He also offered U.S. assistance in developing a strategy for expanding the military utility of the islands southwest of Okinawa. ASD Gregson also highlighted the enduring challenges in Afghanistan and Pakistan. While appreciating Japan's contributions thus far, he said he hoped Japan will continue to work toward even more assistance. Finally, ASD Gregson emphasized the importance of enhanced bilateral training to support bilateral military cooperation.

121. (S) ASD Gregson cleared this cable. ZUMWALT